

The purpose of this newsletter is to provide a high level summary of the activities within the Financial Management Line of Business (FMLoB) through September 2007.

COMMON GOVERNMENT-WIDE ACCOUNTING CLASSIFICATION (CGAC) STRUCTURE: THE CGAC IS PUBLISHED!

We are pleased to announce the publication of the Common Government-wide Accounting Classification (CGAC) Structure issued by the Financial System Integration Office (FSIO). As the first standardization document issued under the Financial Management Line of Business (FMLoB) this document represents a major achievement in the alignment of financial management standards across the Federal government.

The CGAC Structure serves as the definitive accounting classification document government-wide. It is also a living document and some minor updates can be expected in the future as work continues to define standard business processes and align codes across financial management processes. The standard definition process will also require modifications to central agency reporting systems. This document has been carefully researched, reviewed, and agreed upon. Agencies are encouraged at this time to begin the analysis steps to determine the gap between existing accounting classifications and the CGAC. The actual implementation of the structure should begin once an overall sequence strategy has been released by FSIO in conjunction with the Office of Management and Budget (OMB).

This standard represents an extensive analysis of current classification approaches and the development of an improved classification structure. This accomplishment could not be achieved without the high degree of collaboration among central agencies, program agencies, shared service providers, and the vendor community. We can all be proud of this significant achievement made possible by the dedication of many professionals throughout the Federal financial management community.

Copies of the CGAC Structure are available on the Financial Systems Integration Office website, www.fsio.gov.

GOVERNMENT-WIDE INTERFACE STANDARDS FOR CHARGE CARDS

The newest of projects under the Financial Management Line of Business is the development of a government-wide data element definitions standard for the General Services Administration (GSA) SmartPay® 2 Charge Cards. There are three types of charge cards: procurement, travel and fleet. This project is pivotal in assisting Federal agencies implement standardized data requirements for each type of card, which in

turn, will benefit both the Federal government and the private sector by saving time and resources. A short time frame to change over to the new contract adds to the complexity and challenge of the project. The project needs to be completed by November 2007 so agencies can transition to the SmartPay® 2 charge cards by the November 2008 deadline.

Over 70 participants from major Federal agencies attended the project's kickoff meeting on July 12, 2007. Agency representatives compared their data elements with those on the GSA SmartPay® 2 master contract and identified additional elements needed for the government-wide interface standards. In the coming weeks, agency representatives will continue their efforts, working to achieve the principal objective in determining the common government-wide charge card interface standards. Stay tuned—we anticipate the group's first work product, a draft charge card interface document, will be ready in late September 2007.

For more information, contact Doris Chew, at 202.219-0528 or email doris.chew@gsa.gov.

FEDERAL SHARED SERVICE PROVIDER (SSP) BUILDS CUSTOMER CONFIDENCE AND SATISFACTION

The nearly 4,000 users, representing 21-client agencies of the Department of Transportation's Enterprise Service Center's (ESC) Delphi financial management system, barely missed a keystroke when a major system upgrade was accomplished on May 9, 2007.

"This upgrade was one of the smoothest in our organization's history," said ESC Deputy Director Mike Upton. *"Although it appeared to happen overnight, upgrading to Version 11.5.10 involved a year of planning and 9,600 labor hours."* The successful and smooth transition is attributed to an unprecedented level of collaboration among the core ESC upgrade team, customer representatives, Delphi system users and other ESC professionals. A structured test process, with ESC's functional and technical staff working alongside customer representatives during all stages of the process, proved to be a critical component, reinforcing the collaborative environment and maintaining open avenues of communication between departments. Further, while others outsource the upgrade process and day-to-day operations, the ESC relied on the experience of their in-house team to execute the upgrade.

Users played a critical role in the upgrade and were actively involved throughout the testing process. Together with the ESC team, users provided input on the "go/no go" decision to put the upgrade into production. Indicative of the thorough planning process, ESC focused on user education prior to the upgrade, offering nine webinars and six on-site training

sessions prior to the upgrade. Over 1,000 participants comprising 25% of the user community took advantage of these sessions. Bi-monthly newsletters and daily teleconferences were also utilized to communicate proposed changes and present solutions. The ESC offers commercial off-the-shelf (COTS) software with core financial functionality needed by government entities. Thorough planning, strong collaboration and training and in-house expertise were the keys to providing Agency customers a financial management system at reduced costs with reduced risk, tailored to the needs of the Federal government—the ESC welcomes the challenge and stands ready to handle forthcoming upgrades.

FUNDS CONTROL MOVES FORWARD

The Funds Control standard business process is making significant headway to address two critical success criteria:

- a) Ensuring Federal dollars are monitored and managed properly in day-to-day operations
- b) Providing an acceptable level of accountability (in adherence with the Anti-Deficiency Act and OMB Circular A-11).

To advance the consensus process initiated by the FMLoB, the Funds Control Standard Business Process Exposure Draft was released for public comment in April 2007. Over 550 comments were received from various groups within the financial management community which included 15 Federal agencies, 2 financial system vendors and members of the Budget Formulation and Execution Line of Business (BFELoB).

To adequately address the number and diversity of comments received, a Funds Control Working Group was established in May 2007, comprised of both financial management and budget execution professionals who meet weekly to review, analyze and incorporate the comments. The release of the completed Funds Control Standard Business Process is targeted for the end of September 2007. This will mark a major accomplishment for the FMLoB, serving as the basis for improving the management and accountability of Federal funding government-wide.

FMLOB SERVICE MEASURES DRIVE PERFORMANCE

With only the initial months of the FMLoB service metrics data collected, agency representatives are already identifying early benefits, thereby proving the old axiom, “measures drive performance.” Dr. John Sholhead, Director, Resources and Program Operations, Biomedical Advanced Research and Development Authority, HHS, states it well, *“We are now collecting a significantly greater amount of information that we believe will ultimately provide more valuable data for tracking and analysis. Once we track this information over time, we expect it will provide valuable insights for core financial processes and system improvements.”*

Some agencies reported the need for additional process improvements and standardization on the methods for collection and comparison of the established metrics (e.g. help desk resolution, number of general ledger transactions, and

provision of account access.) In response, the Performance Measures Working Group is analyzing the full body of collected data for best practices in order to establish standardization of data collection among agencies. Across the Federal government, financial managers agree that these efforts have validated the important objective of providing an agency with a way to review, manage, and improve its performance activities and compare them with others.

RECEIVABLE MANAGEMENT STANDARDIZATION IS UNDERWAY!

Standardizing Receivable Management processes across the Federal government constitutes yet another initiative in which the FMLoB is working to achieve consensus to streamline, modernize and align financial management practices. Analysis will encompass all key steps in the receivable management processes—from establishment of a receivable to the collection of receivable balances. A multi-agency Focus Group created to conduct the comprehensive analysis, similar to the Payments Workstream, is exploring best practices in an electronic environment, sound internal controls, and compliance with the 2006 Core Financial System Requirements (CFSR). The project scope includes the following core financial system processes:

- Establish Account Receivable
- Bill
- Collection
- Dunning
- Allowance for Loss on Account Receivable
- Write-off
- Account Receivable Analysis

For information or if you are interested in participating in the Focus Group, please contact Dale Miller at dale.miller@gsa.gov.

QUESTIONS?

If you have any questions regarding the FMLoB or information in this newsletter, please contact Karen de Guise at 202-219-1753 or at karen.deguise@gsa.gov.

UPCOMING EVENTS

Every CFO Act agency has a representative on the FSIO Transformation Team. Upcoming meetings are from 9:00 to 11:00 am on:

- ❖ **September 20, 2007**
- ❖ **October 18, 2007**
- ❖ **November 15, 2007**